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OST-95-369-3

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

DEPARTMENT OF TRANSPORTATION

1993 OCT 26 PM 4:11

DOCKET SECTION

Joint Application of

UNITED AIR LINES, INC.

and

LUFTBANSА GERMAN AIRLINES

for exemptions pursuant to § 416(b) of
the Federal Aviation Act of 1958, as
amended, and for Statements of
Authorization under 14 CRF Parts 207
and 212 to offer code-share and
blocked-space services in conjunction
with U.S.-Germany services

Docket 49223

ANSWER OF DELTA AIR LINES, INC.
IN OPPOSITION TO REQUEST TO SHORTEN ANSWER DATE

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October 26, 1993

BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

Joint Application of)	
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UNITED AIR LINES, INC.)	Docket 49223
and)	
LUFTHANSA GERMAN AIRLINES)	
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for exemptions pursuant to § 416(b) of)	
the Federal Aviation Act of 1958, as)	
amended, and for Statements of)	
Authorization under 14 CFR Parts 207)	
and 212 to offer code-share and)	
blocked-space services in conjunction)	
with U.S.-Germany services)	

ANSWER OF DELTA AIR LINES, INC.
IN OPPOSITION TO REQUEST TO SHORTEN ANSWER DATE

Delta Air Lines, Inc. ("**Delta**") hereby opposes the request of United Air Lines, Inc. ("**United**") and Lufthansa German Airlines ("Lufthansa") for a shortened answer date to the Joint Application of United and Lufthansa for exemptions and statements of authorization.

There is no basis for expediting this proceeding. The Transitional Agreement between the governments of the United States and Germany has not been finalized (in fact, the terms of the agreement are still being negotiated by the two governments). Furthermore, there is no assurance that the agreement will be finalized prior to the date that answers would otherwise be due. The joint application contains requests for authority to implement code-sharing service in numerous markets, including

intra-Europe markets, that are not covered by the principles contained in the ad referendum MOC. Given the importance of the specific terms of the Transitional Agreement, the Transitional Agreement should first be concluded before the Department and interested parties can properly evaluate and comment on the joint application. Therefore, Delta urges the Department to issue a Notice providing that answers will be due within fifteen (15) days after the date on which the Transitional Agreement is finalized.

The joint applicants urge expedition to allow them to implement provisions of the yet-to-be-completed Transitional Agreement on the basis of assertions that the Transitional Agreement represents a substantial advancement ("**a** remarkable achievement") in fulfilling U.S. aviation policy objectives. Nothing could be further from the truth. Lufthansa's and United's "silk-purse" characterization of the U.S.-German agreement stands in sharp contrast to its true purpose and effect.

The proposal converts one of the most liberal aviation agreements to which the U.S. had been a party into one of the most restrictive. The proposed agreement would curtail the ability of U.S. carriers to expand U.S.-German and beyond services with their own aircraft, while allowing Lufthansa substantial and non-reciprocal access to the U.S. markets. In addition, the proposed Transitional Agreement would prevent U.S. carriers from

responding to competition and changing market conditions, which is fundamental to a liberal aviation agreement. The proposed agreement is hardly a paradigm of liberality and open-skies. Rather, it represents one of the greatest transfers of wealth from the U.S. aviation industry to foreign carriers of any aviation agreement in the world. Instead of sending a signal which encourages global liberalization, the proposed Transitional Agreement tells foreign governments that they only have to threaten to renounce an agreement in order to get substantial improved access to the United States and impose onerous restrictions on U.S. carriers.

For the foregoing reasons, Delta believes that the Department should deny the request to shorten the answer date and issue a Notice providing for answers to the Joint Application within fifteen (15) days (the time provided for filing answers to exemptions) of the date on which the Transitional Agreement is signed and ratified by both parties.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Answer of Delta Air Lines, Inc. was served this 26th day of October, 1993 on all persons listed on the attached service list.



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